

FOREIGN TRADE ZONE

DESCRIPTION

San Antonio is home to Foreign Trade Zone (FTZ) No. 80, with eleven FTZ sites currently designated. Businesses can locate at existing sites, or apply for designation as a new General Purpose or Subzone. A General Purpose is established for multiple users and multiple functions; while a Subzone is a limited purpose site that cannot be accommodated within an existing site.

Some of the advantages of operating in an FTZ include: (1) duty reduction and elimination (tariffs on foreign goods coming into the U.S.; (2) duty deferral (until merchandise is imported from the FTZ into the United States); (3) and direct delivery (improves efficiency in the supply chain). FTZ's offer businesses a way to mitigate the costs associated with trade and allow the United States economy to enjoy relatively greater benefits from its free trade initiatives. Furthermore, an FTZ status allows a business to import/export foreign goods or materials, place their goods in the zone, without formal U.S. Customs entry and excludes paying formal duties, or government excise taxes, until the product enters the United States market. At this point, duty is paid on either the final product, or its component parts, whichever is lower. This allows a business to significantly cut business costs and improve return-on-investment and cash flow.

MERCHANDISE ADMITTED INTO THE FTZ

- ♣Stored
- ♣Assembled
- ♣Manufactured, *Special Authorization Required*
- ♣Salvaged
- ♣Mixed
- ♣Processed
- ♣Manipulated
- ♣Exhibited
- ♣Repaired
- ♣Sampled
- ♣Re-labeled
- ♣Repackaged
- ♣Tested
- ♣Destroyed

ELIGIBILITY

To receive FTZ benefits, a company must locate within any of the City's existing 11 General Purpose FTZ sites. If our General Purpose sites do not suit your company's needs, the Economic Development Department will help you obtain FTZ sub-zone designation (See Foreign Trade Zone Map and Fee Schedule).

FOR MORE INFORMATION:

Contact Rogelio Garcia, Director Business Development & Chief of Staff, Free Trade Alliance, (210) 229-9036, ext. 23 or www.freetradealliance.org

